Macromedia, Inc.

Approver:

HQAPP Requests:

1. Extend existing term OLSA "OLSAv090302-205832-22-nov-02" to May of 2006

**Terms of the existing OLSA are below (standard options)

- 2. 3 year price hold of 50% on all purchased products
- 3. Technical CAP maintenance growth at 2% per year for 5 years
- 4. Electronic Delivery: This is set up and approved by Matt Mayerson in MFG and being set up.
- 5. Load and leave language as a backup to EDL Wayne Sekigahama has approved.
- 6. Reduce NUP user minimums from 25 to 10 in Development & Testing environments.
- 7. 55% discount –(EBuiness Discount plus 30%)

Tier 2 Approval

8. Limited Use Program - Enterprise Edition Named User for Development and Testing Purposes Justification: Macromedia has many other development and test environments under the 10 named/processor model. They are requesting this new environment remains consistent with their existing licenses.

**For reference, below are the additional terms of the existing OLSA dated 11/22/02. The current term ends on November 22, 2004. Requesting to extend to 5/31/06 to coincide with the new price hold term (May31, 2006).

C. Other

- 1. <u>Failover</u>. You shall have the right to load the Oracle Database licensed under this ordering document in main memory on an unlicensed spare computer for up to a total of ten separate days in any given calendar year. Any other use requires the environment to be fully licensed.
- 2. <u>Assignment.</u> Upon advance written notice to Oracle and provided that you have continuously maintained Update Subscription Service, you may assign your rights under this ordering document to an entity that is either (a) acquiring all or substantially all of your assets and assuming all liabilities related to such assets or (b) acquiring the division, business unit or operation of yours which uses Oracle software programs and assuming the liabilities of such division, business unit or operation. Additionally, the assignee must agree in writing to the terms and conditions of this ordering document and the license agreement.

D. Additional Agreement Terms

1. The following terms amend the attached OLSA:

Replace the first sentence of the second paragraph in the general section with the following: "Upon 45 days written notice, not more than once annually, Oracle may audit the use of the programs."

2. The following terms amend the attached OLSA:

The following sentence shall be inserted after the second sentence of the second paragraph of the General Section: "Any such audit shall be conducted during regular business hours at your offices and shall not unreasonably interfere with your business activities."

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See EXHIBIT

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3. The following terms amend the attached OLSA:

Insert the following as a new section of the General Section:

"Term. Until November 22, 2004, additional orders may be placed under the terms of this agreement and the ordering document must reference this agreement as "OLSAv090302-205832-22-nov-02"

Deal Summary	
Product Mix:	Oracle eBusiness Suite Feb 10, 2003: Professional Users and
	Employee users, iRecruitment, Tutor, Tutor for Self Service,
	Oracle 9i Database, Oracle 9IAS, Partitioning, Oracle
	Developer Suite,
License Discount	55% - Standard + 30%
Support Discount	55% - Standard + 30%
Comp & Admin Discount	NA
Phased Implementation for Comp	NA
& Admin?	
Support Options/Holds	Support capped at 2% year over year for 5 years
Price Holds	3 year price hold at 50% of all products purchased, Oracle
	eBusiness Suite Feb 10, 2003:
	Professional Users and Employee users,
[iRecruitment, Tutor, Tutor for Self
	Service, Oracle 9i Database, Oracle
	9IAS, Partitioning, Oracle Developer
	Suite,
List License	\$1,773,250
List Support	\$390,115
List Comp & Admin	0
Net License	\$797,963
Net Support	\$175,552
Net Comp & Admin	NA
Net Price	\$973,515
Price List Used	Feb 10,2003

Customer history	
Existing contractual discount (price hold)	New Applications Customer, no price holds in place
Date of Price List for price hold	NA
When does price hold expire?	NA
Price hold program categories (database, server, erp, crm, hr/payroll, app suite)	NA
Name of Agreement, if applicable	Existing term OLSA "OLSAv090302-205832-22-nov-02"

Justification:

This is a huge win over Peoplsoft, and one of the most significant wins in the software vertical in 3 years. Marcromedia is throwing out Peoplesoft HR and Corio to implement the Oracle eBUsiness Suite. Peoplesoft is offering extreme discounts (60-70%) and Craig Conway is personally calling their executives offering his sponsorship. He is also pitching a meta group report that slams Oracle vs. peoplesoft in TCO. Their intial demands were in line with PeopleSofts offering, but with the value provided by Oracle, we have been able to work out these terms. They have

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offered to be a visible reference as a PeopleSoft win and have a superior team to implement the Oracle applications suite. This is not going to be fun for PeopleSoft.

Recommendation: (leave blank for HQAPP to fill out)

Submitted By: Scott Parsons, David Bonnette, Arntz, Mills

R: (leave blank for HQAPP to fill out)

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BP:

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